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SUBJECT: MEDIA REACTION: U.S. POLICY, U.S.-CHINA RELATIONS

Editorial Quotes

11. U.S. POLICY

a. "Financial crisis leads to a reduction in the U.S. military budget---this is a bonus in the crisis"

21 Century Business Herald (21Shiji Jingji Baodao) under Guangdong 21 century publishing company Ltd. (02/04): "During this financial downturn, America, Russia and several other countries cannot afford their military funds. U.S. Defense Secretary Gates has expressed that there might be the possibility of cooperation between the U.S. and Russia on the missile defense system even though the two countries have had disagreements. For the U.S., the country needs to focus on the Iraq and Afghanistan wars and to cut their military budget for future defense programs. It is logical for the U.S. to reduce their military budget. Especially in the Obama era, if the government cuts their budget in security they will be headed for the 'right track'; ending the expenditures on military preparations and ending their involvement with nuclear programs. This would be a rational choice for the U.S."

b. "The Buy American bill has damaged the interests of others, and doesn't benefit the U.S."

The official Xinhua Daily Telegraph (Xinhua Meiri Dianxun) (02/04): "The 'buying American goods' bill is an additional item of President Obama's large-scale economic stimulus plan and has aroused great attention and severe criticism globally. Some countries indicate that they will not just sit and watch as the U.S. seeks trade protectionism. In the current deteriorating economic situation, various forms of trade protectionism are brewing. However, historically, trade protectionism has taught the world many lessons. It is noticeable that many American companies, media and economists are criticizing the recent methods of U.S. trade protectionism. The idea that buying American goods will promote American employment can't stand. ...The U.S. is the largest and most developed global economic body. It possesses more advantages and interests than other countries in international trade. Therefore, the U.S. has always advocated free trade. However, when the financial crisis began, the U.S. chose to ignore their responsibilities and instead adopt trade protectionism. This is an unwise and short-sighted measure."

12. U.S.-CHINA RELATIONS

"Biden may be in charge of China Affairs"

The official Communist Party international news publication Global Times (Huanqiu Shibao)(02/04): "The American Foreign Policy Magazine recently stated that Vice President Biden may become the head [leader, spokesperson] of U.S.-China policy. The U.S. government did not respond to this news. Recently Paulson and Zoellick have led this field. If Vice President Biden becomes the lead in China policy, it indicates that China has become increasingly important to the U.S.'s strategic considerations because the level of the people

involved has been continuously upgraded.

The U.S. media has altogether kept silent on the recent news, by Japanese media, that the U.S.-China dialogue has been upgraded, however all media sources have reported on the dispute between Secretary Clinton and Geitner in who should assume responsibility for U.S.-China policy. The U.S. media believes that Secretary Clinton intends to snatch leadership of the U.S.-China relationship from the Department of the Treasury. Chinese experts indicate that Geitner's criticism on China's currency manipulation has revealed his lack of expertise in both diplomacy and China policy. His comments were mainly aimed at the simple people, but they have aroused big trouble. The latest comments made by Vice President Biden were made to put out Geitner's fire. Some American scholars have brought about the concept of establishing an informal G2 for the U.S. and China. This proves the U.S.' emphasis on the relationship is very high. The fact is that no matter how dissatisfied the U.S. is with China, it still needs to cooperate with China."

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